

## **FISCAL NOTE**

### **SB 3969 - HB 3960**

March 4, 2008

**SUMMARY OF BILL:** Increases the threshold for mandatory filing of electronic sales tax returns from \$2,500 to \$5,000. Prohibits the imposition of and collection of penalties resulting from violations of \$2,500 threshold between June 28, 2007 and the effective date of this act.

### **ESTIMATED FISCAL IMPACT:**

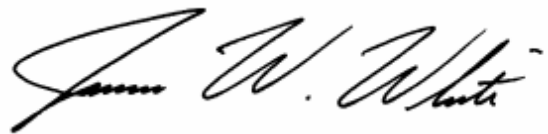
**Decrease State Revenue – Less than \$50,000/One-Time**  
**Increase State Expenditures – \$2,000/One-Time**

Assumptions:

- The threshold was \$5,000 prior to FY07-08.
- The threshold was lowered to \$2,500 during the 2007 legislative session (Public Acts 2007, Chapter 602, Section 30).
- This bill changes the threshold back to \$5,000.
- Pursuant to Section 2 of this bill, the Department of Revenue will have to issue refunds or tax credits for revenue derived from penalty and interest collected between June 28, 2007 and the effective date of this legislation. This is estimated as a one-time decrease to state revenue of less than \$50,000.
- One-time state expenditures for computer and software modifications estimated to be \$2,000.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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